MINUTES OF THE COMMITTEE ON APPROPRIATIONS

Thursday, June 28, 2007

9:00 a.m.

Room 352, State Capitol

The House Standing Committee on Appropriations was called to order by the Chairman, Representative George Cushingberry, Jr.

An Invocation was offered by the Chairman as a moment of silence for the sick and shut in throughout Michigan.

Members present: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Sak, Alma Smith, Spade, Vagnozzi, Acciavatti, Caswell, Shaffer, Brandenburg, Booher, Caul, Hansen, Proos, Agema, Moss and Nofs.

Members absent/excused: Representative Amos.

Representative Alma Smith moved to excuse absent members. Representative Shaffer supported the motion. Without objection the motion prevailed by unanimous consent.

Chairman Cushingberry had opening remarks regarding the Governor, the budget and the agenda.

Chairman Cushingberry laid before the Committee HB 4344.

HB 4344 McDowell Appropriations; community health; department of community health; provide for fiscal year 2007-2008.

The Chairman recognized the House Fiscal Agency Staff for an overview of the Budget Bill. House Fiscal Analyst, Steve Stauff, Margaret Alston and Sue Frey provided the overview.

Nick Lyon of the Department of Community Health answered further questions of the committee.

Representative McDowell moved to adopt substitute (H-1) Draft 5 to HB 4344. Representative Sak supported the motion.

The motion prevailed by a vote of 27-0-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Lahti, LeBlanc, McDowell, Sak, Alma Smith, Spade,

Vagnozzi, Acciavatti, Caswell, Shaffer, Brandenburg, Booher, Caul, Hansen, Proos, Agema, Moss, Nofs.

NAYS: None. PASS: None.

Representative Caswell moved to amend HB 4344 Sub (H-1) Draft 5 as follows:

- 1. Amend page 22, following line 5, by inserting:
- " (d) "DINING ASSISTANT" MEANS AN INDIVIDUAL WHO IS ONLY PAID TO FEED NURSING HOME RESIDENTS BY THE NURSING HOME OR WHO IS USED UNDER AN ARRANGEMENT WITH ANOTHER AGENCY OR ORGANIZATION.
- (d)(e) "DSH" means disproportionate share hospital.
- (e)(f) "EPSDT" means early and periodic screening, diagnosis, and treatment.
- (f)(g) "FTE" means full-time equated.
- (g)(h) "GME" means graduate medical education.
- (h)(i) "Health plan" means, at a minimum, an organization that meets the criteria for delivering the 1 comprehensive package of services under the department's comprehensive health plan.
- (i)(j) "HIV/AIDS" means human immunodeficiency virus/acquired immune deficiency syndrome.
- (j)(k) "HMO" means health maintenance organization.
- (k)(1) "IDEA" means individuals with disabilities education act.
- (1)(m) "IDG" means interdepartmental grant.
- (m)(n) "MCH" means maternal and child health.
- (n)(o) "MIChild" means the program described in section 1670.
- (o)(p) "MSS/ISS" means maternal and infant support services.
- (p)(q) "PIHP" means specialty prepaid inpatient health plan for Medicaid mental health services, services to persons with developmental disabilities and substance abuse services. A program described in section 232b of the mental health code, 1974 PA 258,MCL 330.1232b.
- (q)(r) "Title XVIII" means title XVIII of the social security act, 42 USC 1395 to 1395hhh.
- (r)(s) "Title X IX" means title XIX of the social security act, 42 USC 1396 to 1396v.
- (s)(t) "Title XX" means title XX of the social security act, 49 USC 1397 to 1397f.
- (t)(u) "WIC" means women, infants, and children supplemental nutrition program.".
 - 2. Amend page 110, following line 1, by inserting:

"Sec. 1773. FROM THE FUNDS APPROPRIATED IN PART 1, A NURSING HOME MAY USE A DINING ASSISTANT TO FEED RESIDENTS WHO NEED ASSISTANCE OR ENCOURAGEMENT WITH EATING AND DRINKING, BUT DO NOT HAVE COMPLICATED FEEDING PROBLEMS, INCLUDING, BUT NOT LIMITED TO, DIFFICULTY SWALLOWING, RECURRENT LUNG ASPIRATIONS, TUBE OR PARENTERAL FEEDINGS, OR BEHAVIORAL ISSUES THAT MAY COMPROMISE NUTRITIONAL INTAKE."

The motion failed by a vote of 11-16-0

UNFAVORABLE ROLL CALL:

YEAS: Representatives Acciavatti, Caswell, Shaffer, Brandenburg, Booher, Caul, Hansen, Proos, Agema, Moss, Nofs.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Lahti, LeBlanc, McDowell, Sak, Alma Smith, Spade, Vagnozzi.

PASS: None.

Representative Agema moved to amend HB 4344 Sub (H-1) Draft 5 as follows:

1. Amend page 68, following line 23, by inserting:

"Sec. 1106a. (1) Federal abstinence money expended in part 1 for the purpose of promoting abstinence education shall provide abstinence education to teenagers most likely to engage in high-risk behavior as their primary focus, and may include programs that include 9- to 17-year-olds. Programs funded must meet all of the following guidelines:

- (a) Teaches the gains to be realized by abstaining from sexual activity.
- (b) Teaches abstinence from sexual activity outside of marriage as the expected standard for all school-age children.
- (c) Teaches that abstinence is the only certain way to avoid out-of-wedlock pregnancy, sexually transmitted diseases, and other health problems.
- (d) Teaches that a monogamous relationship in the context of marriage is the expected standard of human sexual activity.
- (e) Teaches that sexual activity outside of marriage is likely to have harmful effects.
- (f) Teaches that bearing children out of wedlock is likely to have harmful consequences.
- (g) Teaches young people how to avoid sexual advances and how alcohol and drug use increases vulnerability to sexual advances.
- (h) Teaches the importance of attaining self-sufficiency before engaging in sexual activity.
- (2) Coalitions, organizations, and programs that do not provide contraceptives to minors and demonstrate efforts to include parental involvement as a means of reducing the risk of teens becoming pregnant shall be given priority in the allocations of funds.
- (3) Programs and organizations that meet the guidelines of subsection (1) and criteria of subsection (2) shall have the option of receiving all or part of their funds directly from the department of community health.".

Representative Caswell supported the motion.

The motion failed by a vote of 11-17-0

UNFAVORABLE ROLL CALL:

YEAS: Representatives Acciavatti, Caswell, Shaffer, Brandenburg, Booher, Caul, Hansen, Proos, Agema, Moss, Nofs.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Lahti, LeBlanc, McDowell, Sak, Alma Smith, Spade, Vagnozzi.

PASS: None.

Representative Sak moved to amend HB 4344 Sub (H-1) Draft 5 as follows:

1. Amend page 45, line 7, after "year" by striking out "2004-2005" and inserting "2006-2007".

Representative Cheeks supported the motion.

The motion prevailed by a vote of 28-0-0

FAVORABLE ROLL CALL:

Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Lahti, LeBlanc, McDowell, Sak, Alma Smith, Spade, Vagnozzi, Acciavatti, Caswell, Shaffer, Brandenburg, Booher, Caul, Hansen, Proos, Agema, Moss and Nofs.

PASS: None.

Representative Caswell moved to amend HB 4344 Sub (H-1) Draft 5 as follows:

- 1. Amend page 4, line 22, by decreasing the \$136,239,300 amount by \$1,696,000 and adjusting the subtotals, totals, and section 201 accordingly.
- 2. Amend page 5, line 7, by decreasing the \$2,413,832,200 amount by \$1,696,000 and adjusting the subtotals, totals, and section 201 accordingly.
- 3. Amend page 5, line 17, by decreasing the \$1,129,083,8 00 amount by \$1,696,000 and adjusting the subtotals, totals, and section 201 accordingly.
- 4. Amend page 5, line 24, by decreasing the \$43,466,600 amount by \$220,000 and adjusting the subtotals, totals, and section 201 accordingly.
- 5. Amend page 5, line 27, by decreasing the \$43,120,900 amount by \$162,000 and adjusting the subtotals, totals, and section 201 accordingly.
- 6. Amend page 6, line 3, by decreasing the \$43,147,800 amount by \$928,000 and adjusting the subtotals, totals, and section 201 accordingly.
- 7. Amend page 6, line 6, by decreasing the \$21,497,600 amount by \$160,000 and adjusting the subtotals, totals, and section 201 accordingly.

- 8. Amend page 6, line 9, by decreasing the \$46,936,300 amount by \$226,000 and adjusting the subtotals, totals, and section 201 accordingly.
- 9. Amend page 6, line 11, by decreasing the \$51,582,200 amount by \$308,000 and adjusting the subtotals, totals, and section 201 accordingly.
- 10. Amend page 6, line 24, by decreasing the \$291,768,200 amount by \$2,004,000 and adjusting the subtotals, totals, and section 201 accordingly.
- 11. Amend page 7, line 5, by decreasing the \$136,239,300 amount by \$1,696,000 and adjusting the subtotals, totals, and section 201 accordingly.
- 12. Amend page 7, line 9, by decreasing the \$50,048,800 amount by \$308,000 and adjusting the subtotals, totals, and section 201 accordingly.
 - 13. Amend page 59, following line 13, by inserting:

"Sec. 607. On October 1, 2007, the provision of food service to patients at Caro regional mental health center, Kalamazoo psychiatric hospital, Walter P. Reuther psychiatric

hospital, Hawthorn center, Mount Pleasant center, and the center for forensic psychiatry shall be provided by private food service establishments or private contractors and shall not be provided by employees of those entities. Beginning October 1, 2007 funds appropriated in part 1 shall not be used to pay employees of Caro regional mental health center, Kalamazoo psychiatric hospital, Walter P. Reuther psychiatric hospital, Hawthorn center, Mount Pleasant center, and the center for forensic psychiatry for the provision of food service to patients of those entities."

Representative Acciavatti supported the motion.

The motion failed by a vote of 11-16-0

UNFAVORABLE ROLL CALL:

YEAS: Representatives Acciavatti, Caswell, Shaffer, Brandenburg, Booher, Caul, Hansen, Proos, Agema, Moss, Nofs.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Vagnozzi.

PASS: None.

Representative Agema moved to amend HB 4344 Sub (H-1) Draft 5 as follows:

1. Amend page 70, following line 2, by inserting:

"Sec. 1113. Service providers receiving funds appropriated in part 1 for family planning local agreements or the pregnancy prevention program shall include an optional response field on general patient information documents requesting information on a patient's marital status."

The motion failed by a vote of 10-17-1

UNFAVORABLE ROLL CALL:

YEAS:Representatives Acciavatti, Caswell, Shaffer, Brandenburg, Booher, Caul, Hansen, Proos, Agema, Moss.

NAYS: Representatives Cushingberry, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Sak, Alma Smith, Spade, Vagnozzi.

PASS: Nofs.

Representative Caswell moved to amend HB 4344 Sub (H-1) Draft 5 as follows:

1. Amend page 81, line 6, by striking out "50 cents" and inserting "\$3.00."

Representative Acciavatti supported the motion.

The motion failed by a vote of 12-17-0

UNFAVORABLE ROLL CALL:

YEAS: Representatives LeBlanc, Acciavatti, Caswell, Shaffer, Brandenburg, Booher, Caul, Hansen, Proos, Agema, Moss, Nofs.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, McDowell, Sak, Alma Smith, Spade, Vagnozzi.

PASS: None.

Representative Caswell moved to amend HB 4344 Sub (H-1) Draft 5 as follows:

1. Amend page 10, line 1, after "level", by inserting ", ON A COUNTYWIDE BASIS,"

Representative Shaffer supported the motion.

The amendment was withdrawn.

Representative Caswell moved to amend HB 4344 Sub (H-1) Draft 5 as follows:

- 1. Amend page 29, following line 19, by inserting:
- "(3) If a report required under subsection (1) is not received by the house of representatives and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director on or before the date specified for that report, the disbursement of funds to the Michigan public health institute under this section shall stop. The disbursement of those funds shall recommence when the overdue report is received."

The motion failed by a vote of 11-18-0

UNFAVORABLE ROLL CALL:

YEAS: Representatives Acciavatti, Caswell, Shaffer, Brandenburg, Booher, Caul, Hansen, Proos, Agema, Moss, Nofs.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Sak, Alma Smith, Spade, Vagnozzi.

PASS: None.

Representative Caswell moved to amend HB 4344 Sub (H-1) Draft 5 as follows:

- 1. Amend page 4, following line 4, by inserting: "Methamphetamine cleanup fund \$ 100,000" and adjusting the subtotals, totals, and section 201 accordingly.
- 2. Amend page 4, line 5, by increasing the \$53,700,200 amount by \$100,000 and adjusting the subtotals, totals, and section 201 accordingly.
- 3. Amend page 4, line 12, by increasing the \$14,932,800 amount by \$100,000 and adjusting the subtotals, totals, and section 201 accordingly.
 - 4. Amend page 37, following line 11, by inserting:

"Sec. 351. From the funds appropriated in part 1 for the methamphetamine cleanup fund, the department shall allow local governments to apply for money to cover their administrative costs associated with methamphetamine cleanup efforts. The funds allocated to local governments for the administrative costs associated with methamphetamine cleanup efforts shall not exceed \$800.00 per property.".

Representative Acciavatti supported the motion.

The motion failed by a vote of 11-16-0

UNFAVORABLE ROLL CALL:

YEAS: Representatives Acciavatti, Caswell, Shaffer, Brandenburg, Booher, Caul, Hansen, Proos, Agema, Moss, Nofs.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Vagnozzi.

PASS: None.

Representative Caswell moved to amend HB 4344 Sub (H-1) Draft 5 as follows:

1. Amend page 96, following line 27, by inserting:

"Sec. 1684. (1) Of the funds appropriated in part 1 for the Medicaid home-and community-based services waiver program, the payment rate allocated for administrative expenses for fiscal year 2007-2008 shall continue at the rate implemented in fiscal year 2005-2006 after the \$2.00 per person per day mandated reduction.

- (2) The savings realized from continuing the reduced administrative rate shall reallocated to increase enrollment in the waiver program and to provide direct services to eligible program participants.
- (3) The department shall provide a report by April 1, 2008, to the house of representatives and senate appropriations subcommittees on community health and the house and senate fiscal agencies on the number of nursing home patients discharged who are subsequently enrolled in the Medicaid home- and community-based services waiver program, and the associated cost savings."

Representative Acciavatti supported the motion.

The motion failed by a vote of 11-17-0

UNFAVORABLE ROLL CALL:

YEAS: Representatives Acciavatti, Caswell, Shaffer, Brandenburg, Booher, Caul, Hansen, Proos, Agema, Moss, Nofs.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Vagnozzi.

PASS: None.

Representative McDowell moved to report HB 4344 with recommendation as substitute H-1.

Representative Cheeks supported the motion.

The motion prevailed by a vote of 17-0-11

FAVORABLE ROLL CALL:

YEAS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Vagnozzi.

NAYS: None.

PASS: Representatives Acciavatti, Caswell, Shaffer, Brandenburg, Booher, Caul, Hansen, Proos, Agema, Moss, and Nofs.

Chairman Cushingberry recognized Representative Sak who gave his voting intention as voting yes to report out HB 4344.

Chairman Cushingberry laid before the Committee HB 4348.

HB 4348 Alma Smith Appropriations; corrections; department of corrections; provide for fiscal year 2007-2008.

The Chairman recognized Alma Smith for explanation of the bill and to answer questions of the members.

Marilyn Peterson, Analyst for the House Fiscal Agency was recognized for further explanation and to answer questions on the bill.

Representative Smith moved to adopt substitute (H-1) Draft 2 to HB 4348. Representative Bennett supported the motion.

The motion prevailed by a vote of 28-0-0

FAVORABLE ROLL CALL:

YEAS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Vagnozzi Acciavatti, Caswell, Shaffer, Brandenburg, Booher, Caul, Hansen, Proos, Agema, Moss, and Nofs.

NAYS: None. PASS: None.

Representative Smith moved to amend HB 4348 substitute (H-1) Draft 2 as follows:

1. Amend page 57, line 16, by striking out "\$12,140,700.00" and inserting "\$4,196,000.00".

Representative Bennett supported the motion.

The motion prevailed by a vote of 18-8-3

FAVORABLE ROLL CALL:

YEAS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Sak, Alma Smith, Spade, Vagnozzi.

NAYS: Representatives Acciavatti, Caswell, Brandenburg, Booher, Caul, Hansen, Agema, and Moss.

PASS: Representatives Shaffer, Proos, and Nofs.

Representative Proos moved to amend HB 4348 Sub (H-1) Draft 2 as follows:

1. Amend page 28, following line 2, by inserting: "(3) On January 1, 2008, April 1, 2008, July 1, 2008, and September 30, 2008, the department shall provide quarterly reports on MPRI costs and expenditures to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director. The reports shall provide information on

quarterly and year-to-date MPRI-related costs and expenditures, by fund source, and including MPRI-related expenditures made by private entities using unappropriated grant funds. The reports shall include all the information necessary to assess the true cost of implementation of the Michigan prisoner re-entry initiative, including, but not limited to:

- (a) total and per-participant costs of MPRI-related assessments and evaluations, including the COMPAS risk assessment instrument.
 - (b) total and per-participant costs of MPRI case management.
 - (c) total and per-participant costs of MPRI-related in-prison programming.
 - (d) MPRI central office administrative costs.
- (e) total and per-participant expenditures of each MPRI pilot site, including detail on any related services and sanctions.
- (f) total and per-participant costs of any special programs, such as the mentally ill demonstration project and the intensive pre-parole program.
- (g) total and per-participant costs of any other MPRI component, pilot program, or demonstration project.
 - (h) total MPRI-related costs and average cost per participant
- (4) To the extent possible, the information required by subsection (3) shall be accompanied by information that provides a basis for comparison between a non-MPRI baseline and implementation of MPRI.
- (5) Cost and expenditure information required by this section and the recidivisim information required by subsection (2) shall be provided in a coordinated report that includes a comparison of MPRI per-participant costs with savings associated with success on parole."

and renumbering the remaining subsections.

Representative Acciavatti supported the motion.

The motion failed by a vote of 11-18-0

UNFAVORABLE ROLL CALL:

YEAS: Representatives Acciavatti, Caswell, Shaffer, Brandenburg, Booher, Caul, Hansen, Proos, Agema, Moss, Nofs.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Sak, Alma Smith, Spade, Vagnozzi.

PASS: None.

Representative Proos moved to amend HB 4348 Sub (H-1) Draft 2 as follows:

- 1. Amend page 3 by striking out all of line 26
- 2. Amend page 3, line 27, by increasing the \$4,100,000 amount by \$9,149,000

and adjusting the subtotals, totals, and section 201 accordingly.

- 3. Amend page 4, line 9, by increasing the \$7,906,500 amount by \$2,249,000
- 4. Amend page 48, following line 12, by striking out all of section 706 and inserting:
- "(1) The department shall administer a county jail reimbursement program from the funds appropriated in part 1 for the purpose of reimbursing counties for housing in jails felons who otherwise would have been sentenced to prison.
- (2) The county jail reimbursement program shall reimburse counties for housing and custody of convicted felons if the conviction was for a crime committed on or after January 1, 1999 and 1 of the following applies:
- (a) The felon's sentencing guidelines recommended range upper limit is more than 18 months, the felon's sentencing guidelines recommended range lower limit is 12 months or less, the felon's prior record variable score is 35 or more points, and the felon's sentence is not for commission of a crime in crime class G or crime class H under chapter XVII of the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69.
- (b) The felon's minimum sentencing guidelines range minimum is more than 12 months."
- (3) State reimbursement under this section for housing and custody expenses per diverted offender shall be \$43.50 per diem for up to a one-year total.
- (4) From the funds appropriated in part 1 for the county jail reimbursement program, the department shall contract for an ongoing study to determine the impact of the new legislative sentencing guidelines. The study shall analyze sentencing patterns of jurisdictions as well as future patterns in order to determine and quantify the population impact on prisons and jails of the new guidelines as well as to identify and define felon or crime characteristics or sentencing guidelines scores that indicate a felon is a prison diversion. The department shall contract for a local and statewide study for this purpose and provide periodic reports regarding the status and findings of the study to the house and senate appropriations subcommittees on corrections, the house and senate fiscal agencies, and the state budget director.
- (5) The department, the Michigan association of counties, and the Michigan sheriffs' association shall review the periodic findings of the study required in subsection (4) and, if appropriate, recommend modification of the criteria for reimbursement contained in subsection (2). Any recommended modification shall be forwarded to the house and senate appropriations subcommittees on corrections and the state budget office.
- (6) The department shall reimburse counties for offenders in jail based upon the reimbursement eligibility criteria in place on the date the offender was originally sentenced for the reimbursable offense."

(7) County jail reimbursement program expenditures shall not exceed the amount appropriated in part 1 for the county jail reimbursement program. Payments to counties under the county jail reimbursement program shall be made in the order in which properly documented requests for reimbursements are received. A request shall be considered to be properly documented if it meets MDOC requirements for documentation. The department shall by October 15, 2007 distribute the documentation requirements to all counties.

Representative Acciavatti supported the motion.

The motion failed by a vote of 11-17-0

UNFAVORABLE ROLL CALL:

YEAS: Representatives Acciavatti, Caswell, Shaffer, Brandenburg, Booher, Caul, Hansen, Proos, Agema, Moss, Nofs.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Lahti, LeBlanc, McDowell, Sak, Alma Smith, Spade, Vagnozzi.

PASS: None.

Representative Proos moved to amend HB 4348 substitute (H-1) Draft 2 as follows:

1. Amend page 63, following line 15, by inserting

"Sec. 1012. (1) Except as provided by subsection (2), the department shall impose a 35% surcharge on all items purchased by prisoners in state facilities. The 35% surcharge shall be separate from and in addition to any other surcharge or mark-up imposed on goods purchased by prisoners before the effective date of this section; the department may continue to mark up items as necessary to meet costs, fulfill the assumptions of part 1 of this act regarding resident store revenue, and support prisoner benefit funds at the same level that existed prior to the effective date of this section. The department shall increase the maximum amount, if any, of money or scrip that prisoners are allowed to spend, in accordance with this section.

- (2) The following items shall be exempt from the 35% surcharge imposed by this section:
- (a) Mandatory health care products.
 - (b) Over-the-counter personal care products.
 - (c) Hygiene products.
 - (d) Stationery.
 - (e) Cosmetics.
- (3) The department shall remit the total of the surcharges imposed under this section quarterly to the state treasurer for deposit in the trooper recruit school fund created under section 819b of the Michigan vehicle code, 1949 PA 300, MCL 257.819. Funds generated under this section for the trooper recruit school fund may be appropriated only for training new state police trooper recruits and may not be appropriated for any other purpose.".

The motion failed by a vote of 11-17-0.

UNFAVORABLE ROLL CALL:

YEAS: Representatives Acciavatti, Caswell, Shaffer, Brandenburg, Booher, Caul, Hansen, Proos, Agema, Moss, Nofs.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Lahti, LeBlanc, McDowell, Sak, Alma Smith, Spade, Vagnozzi.

PASS: None.

Representative Proos offered the following amendment to HB 4348 (H-1) Draft 2:

1. Amend page 6, following line 15, by inserting:

"Food service savings...... (\$18,000,000)" and adjusting the subtotals, totals, and section 201 accordingly.

- 2. Amend page 23, following line 18, by inserting:
- "Sec. 220. (1) The negative appropriation in part 1 for food service savings represents the minimum amount of total facility operational savings to be achieved through improved efficiencies in food service operations.
- (2) The negative appropriation for food service savings in part 1 shall be satisfied by the approval of transfers to the appropriate facility line items by the legislature under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Representative Acciavatti supported the motion.

The motion failed by a vote of 4-18-7.

UNFAVORABLE ROLL CALL:

YEAS: Representatives Acciavatti, Shaffer, Proos, Moss.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Sak, Alma Smith, Spade, Vagnozzi.

PASS: Representatives Caswell, Brandenburg, Booher, Caul, Hansen, Agema, Nofs.

Representative Proos offered the following amendment to HB 4348 (H-1) Draft 2:

1. Amend page 17, following line 7, by striking out all of section 207a.

Representative Acciavatti supported the motion.

The motion failed by a vote of 11-18-0

UNFAVORABLE ROLL CALL:

YEAS: Representatives Acciavatti, Caswell, Shaffer, Brandenburg, Booher, Caul, Hansen, Proos, Agema, Moss, Nofs.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Sak, Alma Smith, Spade, Vagnozzi.

PASS: None.

Representative Proos offered the following amendment to HB 4348 (H-1) Draft 2:

- 1. Amend page 13, following line 14, by striking out all of section 113, and adjusting the subtotals, totals, and section 201 accordingly.
 - 2. Amend page 63, following line 15, by striking out the balance of the bill.

Representative Acciavatti supported the motion.

The motion failed by a vote of 11-18-0

UNFAVORABLE ROLL CALL:

YEAS: Representatives Acciavatti, Caswell, Shaffer, Brandenburg, Booher, Caul, Hansen, Proos, Agema, Moss, Nofs.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Sak, Alma Smith, Spade, Vagnozzi.

PASS: None.

Representative Smith moved to report HB 4348 with recommendation as Substitute H-1. Representative Gillard supported the motion.

The motion prevailed by a vote of 18-3-8.

FAVORABLE ROLL CALL:

YEAS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Sak, Alma Smith, Spade, Vagnozzi,

NAYS: Repersentatives Acciavatti, Brandenburg, Agema.

PASS: Representatives Caswell, Shaffer, Booher, Caul, Hansen, Proos, Moss and Nofs.

Barry Wickman, Chief Financial Officer from the Michigan Department of Corrections made a comment on the budget process.

Chairman Cushingberry had closing remarks regarding the budget and announced the need for a Joint Appropriations and Judiciary meeting to discuss fiscal impacts of the various budgets.

There being no further business before the committee and seeing no objection, Chairman	
Cushingberry adjourned the meeting, the time being 12:35 p.m.	

Representative George Cushingberry, Jr. Chair_	
Darlene Moore, Committee Clerk, (517) 373-2994	